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ATTS NEWSLETTER

Number 166/167

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President's Message
By John Ostendorf, R-518

HELP WANTED: EDITOR

Dear fellow sales tax token collectors,

You will notice some changes in this newsletter. Mike Strub abruptly resigned as our editor, so this newsletter will not look as polished as the recent newsletters that Mike edited. I am stepping in as interim editor in order to get you a newsletter. So please forgive any mistakes in this newsletter and chalk them up to my inexperience and haste in trying to get this out to you as quickly as possible.

I will do my very best in the position of interim editor to provide you with a newsletter that is entertaining and informative. You will also get your newsletter on time. However, the ATTS needs a real editor. So I am putting out the call for a volunteer. All our editor really needs to do is consolidate some word files into one file and publish the newsletter on time. I will even help as will other members of the ATTS board.

We are a small organization. In most numismatic organizations, less than 5% of the membership does just about everything. That may work in an organization of hundreds; but as small as we are, that means 3 or 4 members. If 3 or 4 members are asked to do everything, they will get burned out pretty quickly. It's easy to say, "I'm too busy". Trust me, I carry a very full schedule with a lot of commitments. Simply put, I'm not sure how long I can be a full time interim editor. I will do this job as long as I can because I love the ATTS; but we really need a volunteer.

In this issue you will find information about dues renewal. Frankly, these are difficult circumstances in which to ask you to renew your membership. I am working my tail off to get this to you by the first week of January and I've only had these files a few days. I am doing this because I value you as a member and want the ATTS to survive and perhaps even thrive some day. All I can do is ask you to have faith and know that I really want to give you quality, timely newsletter. We are the weird few that actually value sales tax tokens as more than mere junk. Let's not let a bump in the road knock us off course. Please renew and let's go forward together.

All my best,
John

Dues Reminder

Dues for 2015 are due. Dues are \$12.00per year (\$160.00 if you wish to become a life member). If the date on your mailing label is highlighted in orange, our Treasurer has not yet received you dues.

If you have any questions about this please contact Jim Calvert You can mail a check to the address below or may find the paypal option more convenient. You can pay via paypal at www.salestaxtokens.org and click "DUES" at the top of the page. Thank you for your support!

Jim Calvert ATTS Secretary/Treasurer

1984 B. Lyn Road

Arroyo Grande, CA 93420

jnlcalvert@gmail.com

FINANCIAL REPORT September 1/2014- November 30/2014

Checking Account

Balance 09/01/2014 \$1375.14 Expenses: \$ 0 Income: \$ 35.35

Balance 10/01/2014 \$1410.49 Expenses: \$ 0 Income: \$ 0

Transfer \$1351.75

Balance 11/01/2014 \$2762.24 Expenses: \$ 0 Income: \$ 0

Balance 08/30/2014 \$2762.24

DONATIONS: 0

All the donations are appreciated very much and help keep us from needing to raise the dues. Life members, it is okay if you wish to make a donation.

ORGANIZATIONAL REPORT November 30/2014

NEW MEMBERS: None

DROPS: None

MEMBERSHIP 11/30/2014 86 paid + 6 donated

Trading post

Casino Chips wanted. Check your top drawer, jewelry box, etc. Buying one chip or whole collections. Please contact Peter Volburg, P.O.Box 3037 , Farmingdale, NY 11735 or QUALPETE@aol.com

Looking for a nice example of an Oklahoma S-7 Contact Jim Calvert @ 1984 B. Lyn Road, Arroyo Grande, CA 93420 or jnlcalvert@gmail.com

Tougher IL provisionals wanted. Also buying entire STT collections. Please contact John Ostendorf, 523 Hiwasee Rd, Waxahachie, TX 75165 or johnoste@aircanopy.net.

The Great Depression and It's Relationship to Sales Tax Tokens (part 3)

by John Ostendorf

In the last two articles on this subject, we examined the beginning of the Great Depression and the devastating effects on the U.S. economy and Americans in general. We also examined the origins of sales tax tokens and depression scrip.

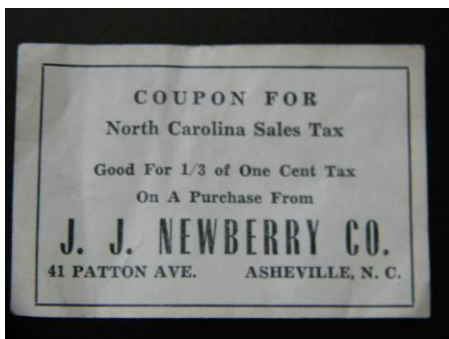
As sales tax laws were being enacted in various states, no doubt merchants understood they would somehow be involved in the collection of the sales tax; but I doubt many understood they would be on the "front line" in not only collecting the sales tax on behalf of the state without compensation, but also taking abuse from their patrons opposed to the sales tax.

To make things more complicated, the sales tax laws were being drug through the courts in several states as there were legal challenges to their constitutionality. Merchants were often caught in the middle. They were told to collect the sales tax while various courts held the laws to be unconstitutional or constitutional, subject to an inevitable appeal. Should they collect the tax? Should they wait? What if they collect the tax and it ultimately be found unconstitutional? How would they refund their loyal patrons? What were their competitors doing?

Merchants probably did a little of everything. Some probably chose to collect the sales tax, others probably chose not to. When you read M&D or better yet, Monte Dean's "Sales Tax Tokens and Scrip - Histories", you can see that the early days of the sales tax in many states were quite chaotic.

Of course these were no ordinary times. The Great Depression was a terrible time. The sales tax was an incredible additional burden on many people. It must have been very difficult for those merchants collecting the sales tax on behalf of the state. To charge someone 11 cents for a 10 cent purchase when that patron could barely afford the 10 cent purchase to begin with had to be very difficult.

It seems that no state was truly prepared for how to collect a sales tax in the very early days of the implementation. Of great interest to sales tax token collectors are obviously sales tax tokens and scrip. We all know that these items were mainly used to ensure there was no overcharge of the sales tax on small purchases. Lost to many of us though I believe is just how expensive this had to be for merchants. Producing sales tax scrip or punchcards had to be very costly in relationship to their value. This of course is why the majority of sales tax scrip was made of paper or some sort of paper stock.



However, not all scrip was made of paper or related material. Some scrip was made of wood (Tenino, Washington) and even metal, such as the numerous Illinois provisionals. In the case of the Illinois provisionals, most were issued by an association of merchants such as a Chamber of Commerce, so the expense was probably a shared expense. However, there were individual merchants who issued metallic tokens. While durable, this had to be very expensive.



Of course part of the "cost of production" could be offset by the use of the token or scrip as an advertising medium. However, merchants certainly had to be careful. The idea would have been to advertise your business without looking like you were endorsing the unpopular sales tax.

An additional consideration had to be the size of the order. Many states were publicizing that they would have sales tax tokens available "soon". That availability too was being held up in courts and by the U.S. Secretary of the Treasury. Merchants again were caught in the middle. While it be preferable to let the state government produce sales tax tokens that cost more than their value, when would they become available?

Depicted below is a picture of the result of a merchant ordering too many sales tax scrip:



Even if this merchant got a good deal on printing, this was a cost that the merchant got stuck with. For these reasons, I believe most print runs for sales tax scrip were very small. Factor in the fragile nature of the material in which most were produced and it is easy to see why most sales tax scrip is very rare.

Much has been written about how the general public hated sales tax tokens; but to the merchants that were bearing the cost of producing sales tax scrip, that initial wave of state issued sales tax tokens were probably well received.

Fiber Token Layers

By Nick Sapon (R-517)

While studying fiber tokens I am frequently reminded that it is not unusual to find one thing when you are searching for another. It happened so often that I began to keep notes on all of the interesting things I was learning about. While searching for the answers to old questions, some important new discoveries were also being made. One of them answered a question that we thought we already knew about. "How many layers are there in a ration token?" The old answer is three. You can see them on the token's edge. There are two outer layers, either red or blue, with a yellow core in between them. This has been common knowledge since 1944.

Imagine my surprise to find another layer! Now there was cause for a closer examination to find out if anything more might have been missed about the token's edge.

My previous article covered a way to determine top from bottom on a like-sided, punched fiber token. What I didn't mention then was that while scrutinizing ration token edges for clues, I had discovered a crack-like feature on some of them in the thickest looking outer red layer. Under 10-X magnification this proved to be the seam between two layers (not one) of the outer layer on that side. The stress of punching had smeared the edge of the thick looking layer causing its two layers to reveal their bond but only in a tiny place and only on some tokens. Likewise, the thinner outer layer was only made to look that way by the yellow core being smeared partly onto it. I soon discovered that the outer layer on both sides of the token were actually the same thickness and a closer examination revealed that each of them was made of two layers. Finding these two additional ration token layers was a major discovery, at least to us collectors. Now I must figure a way to photograph the new find clearly enough to present the tiny evidence in our newsletter.

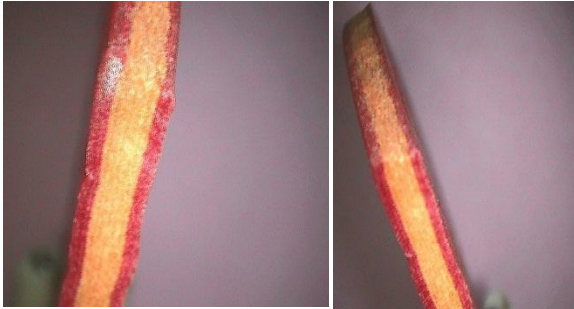
More Layers

The token's yellow-orange middle always seemed to have an indistinct edge pattern. It was smeared and shiny on some tokens and grainy or scaly on others, sometimes with hints of lines of scales but never a clear pattern. The composition of wood pulp and condition of the punches can make a number of different edge quality examples, all of them deceptive and very good at hiding detail. I wondered what it would look like if I cut the edge smooth using a very sharp knife. This would of course ruin a token and no collector wants to be held responsible for such an offense but I could at least check the thickness of those outer layers and compare them. A token would have to be sacrificed in this pursuit of knowledge. Although most ration tokens are not valuable a common one was chosen, it also being of a less than collectible condition for this destructive test. If the experiment failed, I would quietly bury the remains in the back yard on a dark night.

My razor sharp carving knife made a nice clean cut, straight down the edge revealing nearly a half-inch length of internal structure. The sharpness of the blade left the edge glossy and clear, a sort of window through which to view the layers. The bond area between the outermost two layers on each side is still difficult to distinguish and the color has a lot to do with one's ability to clearly see the layers. They are visible, although you must tilt the cut edge in the light and use magnification to get a glimpse of the seams.

The central yellow-orange core is much easier to view and it was not easy to restrain the excitement as my 10-X loupe revealed it to be made up of not one but six layers! These six layers are very distinct and easily visible on the smooth cut edge with proper light and magnification. Higher magnification is even more revealing and does

show more clearly that the darker outer layers of the token do indeed have two layers each. All “ten layers” of the token appear to be of equal thickness. Additionally, the success of the experiment means that I can now tell everyone instead of quietly burying the evidence had it failed.



Side views of a ration token that was cut to present a view of the internal layering.
(Images by Nancey and Liz at Dr. Jacobson’s dental facility, Kill Devil Hills, NC)



This was remarkable new information. I could hardly believe that I had discovered these seven additional layers. Where there was previously thought to be only three layers in a ration token, there are actually ten! How could this have lain hidden for so long under our very noses?

Other kinds of fiber tokens will present many differences from those described above for ration tokens. During the time span of their use some were made in different minting systems and of various fiber compositions. They come in a range of colors and structure as well, with some having only one solid layer. Others are made up of multiple layers with some of the largest and thickest “silver dollar size” pieces in my collection (pictured at left) having “many layers” that can be seen on their smooth edge. (There could be as few as about 16 layers but those layers could

themselves be made up of less obvious layers and I don't want to deface these nice examples to obtain a more accurate count.)

Sales Tax Tokens Online July through September 2014

By: Ralph L. Harnishfeger

There were a number of interesting WA wood and paper tax token lots sold this quarter as well as the usual listings of common tokens in large lots.

Tenino WA woods, 6 different sold on July 28th for \$108.00 with 10 bids.



Five Different WA paper tax tokens sold for \$78.53 on July 29th with 17 bids.



15 Penny's Garage Tenino WA wooden tax tokens closed on July 30th for \$64.99 with 13 bids.



Four different Tenino WA woods sold on July 26th for \$77.11 with two strips of Buchanan Hardware paper tax tokens sold on July 29 for \$37.67 with 7 bids.



An original mint roll of 50 Unc. AZ 1 mill tax tokens sold for \$37.00 using buy it now on August 24th.

Bulk lot of 200AL tax tokens sold via buy it now for \$29.99 on August 5th.

Group of 6 Tenino WA wooden and paper tax tokens closed on August 1st at \$26.00 with 8 bids.

A lot of MO plastic red and green tokens said to be 88 in number had just 1 bid and sold on July 1st for \$15.95.

A lot of 62 WA aluminum tax tokens sold by buy it now on September 7th for \$14.95.

Lot of 75 tax tokens, most looked like MO zinc tokens with a few plastics sold via buy it now for \$14.00 on August 2nd.

A small group of 8 MO cardboard tokens, both 1 and 5 mill, sold on August 11th with 4 bids at \$13.62.

Large lot of tax tokens, several hundred based on the picture, had 14 bids and closed on July 20th for \$12.91.

Pamphlet by Jerry F. Schimmel sold on July 11th for \$12.00 using buy it now. Yellow or ochre color on cover.

Lot of 3 MO cardboard tokens, 2 one mill and a single 5 mill sold on August 4th for \$11.95 using buy it now.

Lot of 56 MO red and green plastic tax tokens had 13 bids and closed on July 7th for \$11.51.

A lot described by the lister as “huge”, several hundred of OK aluminum tokens had 3 bids and closed at \$11.05 on July 8th.

Mixed lot of 11 AL, CO, LA and MS tax tokens sold via buy it now on September 17th for \$10.99.

A nice mix of various state issued tax tokens said to be 66 closed on August 4th with 12 bids for \$10.59.

28 common tokens from mixed states closed on July 27th with a single bid of \$10.00.
100 AL tax tokens attracted 1 bid at \$9.99 and sold on September 2nd.

A nice mix of 15 tax tokens, MO, UT, IL, WA, AZ, LA, and OK sold using buy it now for \$9.95 on July 8th.

An estate find of tax tokens, called a large lot, couple of hundred from photo, sold on August 19th for a single bid of \$9.95. The majority were red MO plastics with a few green mixed in.

7 LA tax tokens sold on September 21st for \$9.95 using buy it now option.

Two examples of Litchfield, IL provisional sold on July 3rd. for \$9.75 using buy it now option.

29 MO green tax tokens, various shades of green, sold using buy it now for \$9.70 on July 2nd.

Two LA tax tokens graded AU and XF, 1 and 5 mills sold for \$9.50 on June 29th with 10 bids.

A mixed lot of 10 tax tokens, all but one from WA, sold on September 18th for \$9.50 with 8 bids.

MO red plastic tokens, 2 pictured, with original box had 2 bids and closed on July 18th at \$9.00.

17 MO large cardboard tokens had 3 bids and sold on August 12th for \$8.39.

A group of 8 MO tax tokens, many types, sold using buy it now for \$8.00 on June 29th.

55 WA aluminum tax tokens in mixed condition closed on July 27th for \$8.00 with 12 bids.

A group of 18 sales tax tokens had a best offer of \$8.00 accepted on August 8th.

A lot of 48 mixed tokens, most were sales tax, sold on August 14th for \$8.00.

A rare blue WA tax token with green plastic and 5 aluminum in the group of 9 tokens closed on September 7th at \$8.00 with 2 bids. The blue plastic token was 1 mill. Color changeling?

Group of 9 Mercer Co. IL metal provisionals closed on July 27th with just 2 bids closing at \$7.50.

An identical lot closed on August 3rd for \$6.99 with one bid.

UT plastic 1 and 5 mill tokens sold on July 16th with 4 bids at \$7.31.

9 UT sales tax tokens, red, gray plastic and two smaller sized aluminum tokens close on August 17th with 1 bid at \$6.99.

16 MS tax tokens, 5 in metal and 11 plastic, both 1 and 5 mills represented closed on September 8th with 1 bid at \$6.95.

241 MO and OK metal tax tokens sold on July 3rd for \$6.01 with 3 bids.

20 different tax tokens from 8 states had 1 bid and sold for \$6.00 on July 12th.

507 MO zinc tax tokens sold on September 14th with 3 bids at \$6.00.

55 MO zinc tax tokens, 46 one mill and 9 fo 5 mills, sold on July 4th for \$5.99 using buy it now.

A group of 12 tax tokens nicely carded and labeled attracted 7 bids and closed on June 30th at \$5.00.

Commemorative tax tokens from the 1976 1st annual wooden money show, group of 5, sold on September 17th with 7 bids for \$3.90.

This quarter there were many dozens of lots which had small (under 50 but often a dozen or less) to large (over 50 to hundreds) groups of common tax tokens, many of these did not sell although a good number seemed to attract buyers if the size of the group was large or tokens were carded and described.

Sales Tax Tokens Online October through December 2014

By: Ralph L. Harnishfeger

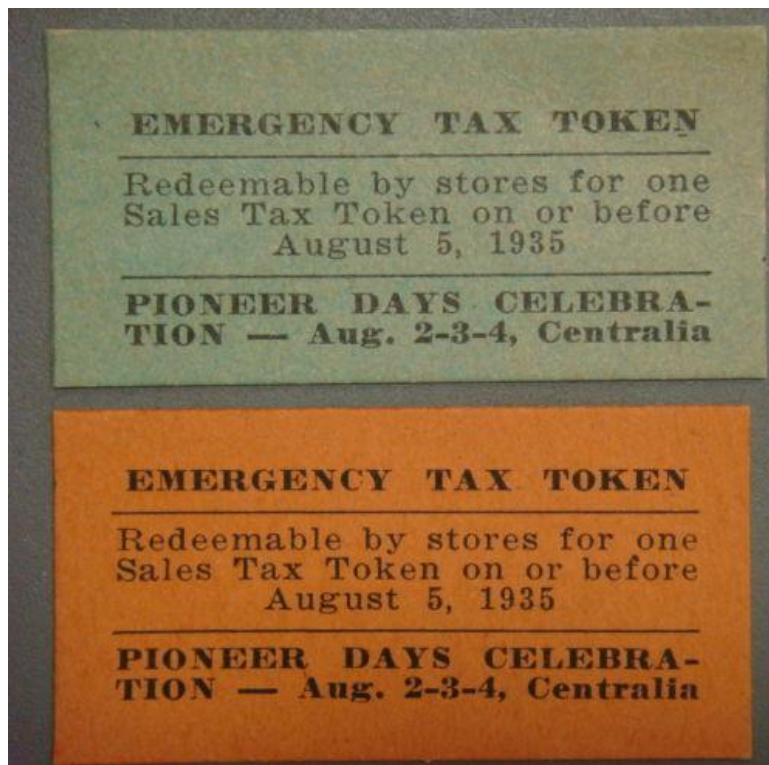
There were a number of interesting WA paper tax token lots sold at the very end of the last quarter and in this quarter as well as the usual listings of common tokens in large lots.

9 Walla Walla WA sales tax token papers sold on November 15th for \$90.95 With 15 bids.

700+ Colorado tax tokens, plastic and aluminum sold on November 11th using buy it now for \$49.99.

Two copies of Malehorn and Davenport sold at \$49.95 on September and November 14th. using buy it now.

Centralia WA Pioneer Days Celebration, script pair closed on November 8th at \$45.50 with 18 bids.



A group of 20 IL provisional metal tokens closed on October 12th. At \$41.51 with 19 bids.

A baggie with 202 tax tokens, called an “enormous” lot closed on December 7th at \$36.00 with a whopping 36 bids.

A box described as “vintage” with what appeared to be hundreds of tax tokens of the same type, center hold, AL or zinc in composition, closed on December 14th at \$29.99 with free shipping and a single bid.

A pair of Spokane Retail Trade Bureau tax token papers closed on November 13th at \$28.68 with 10 bids.



225+ tax tokens from many states closed on November 22 at \$25.95 with just 1 bid.

69 LA tax tokens closed at \$25.00 using best offer accepted on September 11th.

Malehorn and Davenport book, our bible for tax tokens, closed at \$24.99 on December 7th with a single bid.

Two near identical lots of 100 AL tax tokens, called wholesale lots by the seller, sold via buy it now at \$24.99 on November 4th and 11th.

A group of 20 tax tokens including a Grand Rapids milk bottle cap tax tokens closed at \$24.50 on November 11th with 11 bids.

Another 100 AL tax token lot sold on October 12th for a reduced price of \$22.49 using buy it now.

100 MO tax tokens, mostly red plastic closed on November 16th at \$22.25 with 3 bids.

22 common tax tokens sold for \$20.00 using best offer accepted on November 12th.

150+ CO red cardboard tax tokens closed via buy it now on September 21st for \$19.99.

A nice mix to tax tokens, appeared to be well over 100, closed on December 15th at \$19.99 with 1 bid.

Another lot of 100 LA tax tokens sold for \$19.99 using buy it now on September 21st.

119 MO plastic tax tokens sold for \$19.99 on October 12th with 1 bid.

A ball mason jar with zinc lid, looked like a pint, filled with tax tokens sold for \$19.99 on November 19th with just 1 bid. Perhaps the mason jar was a rare one.

Two groups of Rock Island IL tax token provisional, 8 brass and 10 Aluminum closed at \$19.00 or somewhat under that, on November 6th. using the best offer option.

A mix of 37 different sales tax tokens closed at just under \$19.00 using the best offer feature on November 12th.

A mixture of state tax tokens, looked like several hundred, closed on December 14th at \$15.99 with 1 bid.

20 mixed tax tokens from at least 5 states closed on November 25th at \$15.99 using best offer accepted.

A group of 50 tax tokens sold for \$15.50 with 3 bids on November 17th.

A group of 28 tax tokens, said to be a nice variety, closed December 19th at \$15.50 with 8 bids. Two lots of 115+ AL tax tokens closed on October 20th and November 12th for \$15.00 using the buy it now option.

15 UT green plastic one mill tax tokens closed on December 11th at \$14.99 with 1 bid.

Litchfield and Chadlerville, IL tax tokens plus 4 Arctic Ice tax tokens closed on October 19th at \$14.45 with 12 bids.

4 brass Jacksonville, IL provisionals sold on November 4th for \$13.50 with 8 bids. A roll of 50 MO 1 mill Zinc tax tokens with proper wrapper sold for \$13.49 on November 11th with 2 bids.

A nice copy of Schimmel's green cover tax token guide closed on November 18th for \$13.49 with 3 bids.

100 AL and OK tax tokens, several different types, sold on December 10th using buy it now option for \$13.00

119 MO plastic tax tokens closed on November 23rd at \$12.99 with just 1 bid.

6 OK sales tax tokens closed at \$12.95 on October 21st using the buy it now option.

5 plastic tax tokens, from 3 states, brought \$12.00 using buy it now on November 8th.

45 OK tax tokens closed on December 14th at \$11.99 with a single bid.

29 Mint OH tax token receipts, values to 30 cents pictured, closed on November 9th at \$10.50 with 10 bids.

Malehorn's 1993 reference work on the Herrin (IL) sales tax tokens sold for \$9.99 on September 29th with 1 bid.

Several dozen lots of tax tokens closed in this quarter priced at \$7 to \$10 in final value, most had few bids and none, as far as could be told from the photos provided, were remarkable in any way.

American Tax Token Society (ATTS)

The **ATTS** is a not-for-profit, tax-exempt, educational and research social club. It is registered as a 501(c)(3) organization under IRS guidelines. All donations are tax-deductible subject to IRS guidelines.

The **ATTS Newsletter** is the official quarterly publication of the ATTS published for its members, and is mailed first class from Waterford, Michigan, USA. Copies are available to schools, universities, museums and other educational or related organizations upon request. The request must be made in writing on the organizational letterhead and signed by a legal representative of that organization. Portions of the newsletter may be reprinted if written permission is first obtained from the society and/or the original author. However, excerpts may be reprinted without permission. Articles reprinted from sources outside of the ATTS must have permission from the original source.

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Information about membership, address changes, dues and donations should be addressed to the club secretary-treasurer. Membership dues are \$12 (U.S.) for U.S. and Canadian addresses and \$15 (U.S.) for the U.K. and Europe. Write for additional rates depending on the country. Lifetime membership dues are \$160 (U.S. addresses only), \$180 (U.S.) for Canadian addresses and \$300 (U.S.) for U.K. and Europe. The membership calendar year begins in the 1st, 2nd, 3rd, or 4th Quarter.

Officers

President / Awards

John Ostendorf R-518 523 Hiwasee Rd. Waxahachie, TX 75165 johnoste@aircanopy.net

Secretary / Treasurer

Jim Calvert R-533 1984 B. Lyn Road, Arroyo Grande, CA 93420 jnlcalvert@gmail.com

Newsletter Editor / Librarian

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Board Members

Webmaster / At-Large Position #1

Loran Frazier R-550 P.O. Box 285, Lathrop, MO 64465 loranfrazier@yahoo.com

At-Large Position #2

Monte C. Dean R-384 121 E. Fairview St., Spring Valley, MN 55975 Moxking@aol.com